

P 151357Z DEC 08
FM AMEMBASSY DAR ES SALAAM
TO SECSTATE WASHDC PRIORITY 8102
INFO SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE
AMEMBASSY BUJUMBURA
AMEMBASSY KAMPALA
AMEMBASSY KIGALI
AMEMBASSY KINSHASA
AMEMBASSY MUSCAT
AMEMBASSY NAIROBI
USMISSION USAU ADDIS ABABA
CDR USAFRICOM STUTTGART GE
CJTF HOA//J3
CIA WASHINGTON DC

C O N F I D E N T I A L DAR ES SALAAM 000839

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TAGS: [PGOV](#) [ECON](#) [ENRG](#) [PINR](#) [TZ](#)
SUBJECT: ZANZIBAR POWER: ELECTRICAL AND POLITICAL SHORTAGES

REF: A. (A) DAR ES SALAAM 646
[1](#)B. (B) DAR ES SALAAM 461 AND (C) DAR ES SALAAM 444

Classified By: Ambassador Mark Green for reasons 1.4 (b) and (d).

[1](#)1. (U) SUMMARY: A two-week power outage on the number two Zanzibari island of Pemba has resulted in suspension of Zanzibar Energy Company (ZECO) Manager Juma Ishak Bakari. December 8 delivery of diesel restored electricity generation, if not CCM's credibility, on the island that has been a long-held opposition CUF stronghold. The incident showcases the tenuous ties (and essential dependencies) between the two islands of the Zanzibar archipelago and between Zanzibar and the mainland. END SUMMARY.

[1](#)2. (U) Power remains the single biggest impediment to Zanzibari development, as little is commercially generated on the archipelago. Indeed, some argue that Zanzibar's dependence on the mainland for electrical power is the primary brake on Zanzibaris extracting more political power, if not outright independence, from mainland Tanzanians. Unguja, the autonomous region's principal island, receives most of its energy via a 38km undersea cable from Ras Kilimoni, a Dar es Salaam substation. The aging cable, originally completed by the Norwegians in 1980 and never serviced since, delivers 45 MW of power away from Dar es Salaam, contributing to power shortages that have resulted in rolling blackouts on the mainland. Even so, Zanzibaris suffer rationing as well, as the electricity that does make it to the island is still not enough to meet needs. Hotels, most commercial enterprises and the rich continue to rely on personal generators, but sometimes even that is not enough: damage to the cable in May 2008 resulted in an unprecedented month-long, island-wide blackout, coming at the very start of tourist high season and during peak oil costs. Losses are estimated in the tens of millions of dollars, as even international hotels were not able to acquire the fuel to sustain their generators as the crisis played out.

[1](#)3. (U) Meanwhile, power on the island of Pemba is even more catch-as-catch-can. The situation has been so bad for so long that the much of the island has not even been wired for electricity. As a result, Pemba, 40% of Zanzibar's population, has a power consumption need of only about 5MW, according to Norwegian Embassy experts working on the problem. However, all of Pemba's public power comes from two small diesel-powered plants, collectively producing only 4.5 MW at peak capacity. Fuel for the plants is delivered via small tenders from the mainland because Pemba's sole harbor is too small and dilapidated to accommodate big ships. Pemban refueling shipments can be as small as 600 liters per delivery.

[1](#)4. (U) In August 2008, during a Pemban fuel delivery, ZECO

admitted to the press that one of two diesel storage tanks was leaking. When fuel was transferred to the other tank, it, too, started to leak. The government was forced to rent a reserve tank from a local gas station, and ever since, ZECO has been on a system of just-in-time generator top-ups, with around-the-clock blackouts throughout the island as a result.

The situation came to a head at the end of November when a fuel delivery ship caught its propeller in fishing nets off the coast, resulting in a complete island-wide shut down of power generation, only resumed December 8 after 13 days of darkness.

PEMBA BLACKOUT SIDELINES ZANZIBAR'S UTILITY CHIEF, BUT NOT THE REAL POWER BOSSES

15. (U) Forced to react to Pemba's power crisis, the CCM-led Zanzibar government responded by suspending Zanzibar Energy Company (ZECO) Manager Juma Ishak Bakari for "failing to notify the government of the power crisis on Pemba." Ironically, during the time of the Pemba power outage, Bakari was on the mainland trying to hammer out modalities related to a cost-sharing agreement with mainland power company TANESCO. Having such an agreement in-place is a pre-requisite for major donors, namely the U.S. and Norway (see para. 8 below), to revamp Zanzibar's power grid.

16. (C) Sources close to Bakari have told Zanzibar Affairs Specialist that ineptitude and corruption relating to Zanzibar's power problems do not start at ZECO but emanate from the highest levels. Lending credence to this assertion is that the decision to suspend Bakari was announced by Deputy Minister for Water, Energy and Land Tafana Kasim Mzee, not by the Minister himself, Mansour Yussuf Himid, who is President Karume's brother-in-law. This is probably an attempt to disassociate him from the event, as the normally vocal Mansour only has been in the press during this time to clamor for exclusive Zanzibari ownership of the unproven and undeveloped alleged oil reserves in the Pemba Channel. (COMMENT: Reverting to Zanzibari nationalism has been a time-worn tactic during domestic crises. For example, during the May-June energy crisis on the main island Unguja, President Karume chose to be out of the country most of that time on "Zanzibari State visits." END COMMENT)

17. (SBU) Replacing Bakari as Acting Manager at ZECO will be Power Services Director Hassan Ali Mbarouk. Hassan Ali has been the U.S.'s main implementing partner for our MCC power projects on Zanzibar. It remains to be seen whether his new role will enhance or detract from our mutual efforts in that regard.

INTERNATIONAL AID IS COMING...

18. (U) International donors have long identified the power needs of Zanzibar, and infrastructure on Pemba more generally, as being key toward development and national stability. The U.S., through the Millennium Challenge Corporation, has agreed to a USD \$63 million project to replace the cable from Unguja to the mainland, upgrading its capacity to 100 MW. The U.S. is also committed to a USD \$13.5 million road project on Pemba. Norway also has robust investments in Zanzibar, with an ambitious plan to build a 70 km long cable to span the 800 meter deep Pemba Channel to move power from Tanga on the mainland directly to Pemba. The project is estimated to cost USD \$66 million, with an additional \$22 million in matching funds from Tanzania & Zanzibar. While the exact capacity for the Pemba Connector is not specified in the agreement, pending final budget estimates, the cable is expected "to meet the demand for 20-25 years to come." Norway also has spent millions over the last 20 years improving power delivery on Zanzibar at the village level, and also will work on roads in southern Pemba (committing \$8 million on the latter). Denmark, Germany and Japan also have Zanzibar infrastructure projects planned or ongoing.

...BUT NOT UNTIL AFTER THE 2010 ELECTIONS...

¶9. (C) Zanzibar Chief Minister Shamsi Nahodha recently told Zanzibar Affairs Officer that Pemba development has become the number one priority for the regional government. He pushed hard for any U.S. assistance to the island, large or small, to be delivered "as soon as possible." Since the start of multi-party elections in 1995 (and arguably since the Zanzibar Revolution), Pemba has been the cradle of anti-regime politics, resulting in its neglect by the main island of Unguja. This pattern has now started to have repercussions for CCM because many of the leaders of the growing national opposition party CUF have Pemban roots, and Pemba has become a CUF home base. By focusing on Pemba development, it is likely that the CCM-led government is eager to show Pembans, at least some of whom would like to secede from Zanzibar's control (ref. B), that it can deliver results.

¶10. (SBU) All that notwithstanding, none of the donor-led power or road projects on Zanzibar can be expected to bear fruit until after the 2010 elections. In the meantime, CCM Zanzibar has got to keep together the crumbling infrastructure of the archipelago. Trying to remedy 40 years of negligence will need the support of the mainland and of the international community more broadly. To keep this support, the Zanzibar government will need to find a balance between soliciting assistance and its more natural tendency to match or exceed opposition CUF's nationalistic, go-it-alone rhetoric.

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